

Minutes of the Meeting  
of the  
REAL ESTATE LICENSE COMMISSION  
OF THE TERRITORY OF HAWAII

September 24, 1952, at the offices of the Commission, Rooms 109 and 121, Honolulu Armory, corner of Hotel and Miller Streets, Honolulu, T. H.

Present:

Eaton H. Magoon, Chairman  
John K. Akau, Jr., Member  
Stephen K. Miyagawa, Administrator  
Robert H. K. Chang, Deputy Attorney  
General, Territory of Hawaii

A special meeting of the Real Estate License Commission of the Territory of Hawaii was called to order by Mr. Eaton H. Magoon, Chairman, at 9:10 a.m., at the offices of the Commission, Rooms 109 and 121, Honolulu Armory, corner of Hotel and Miller Streets, Honolulu, T. H. The reading of the minutes of the previous meeting was dispensed with. The order of business and the actions taken were as follows:

ORDER OF BUSINESS

Charles Ford & Associates, Incorporated

A hearing was called to allow an opportunity to the representatives of the Charles Ford & Associates, Incorporated, a foreign corporation, to show cause why this Commission should grant them a brokerage license to do real estate business in the Territory of Hawaii. Representatives present from the Charles Ford & Associates, Incorporated, were Mr. G. A. O'Rouark, principal broker; Charles A. Nafe, broker from Guaranty Investment Company, Ltd.; and Harold W. Conroy, counsel. Mr. James K. William from the Office of the Treasurer of the Territory of Hawaii was present to testify on behalf of the Charles Ford & Associates, Incorporated. Mr. Robert H. K. Chang, Deputy Attorney General of the Territory of Hawaii, represented the Real Estate License Commission.

Informal Hearing

Miyagawa:

We have before us an unfinished business on the matter of Charles Ford & Associates, Incorporated. Mr. G. A. O'Rouark is allegedly the principal broker of the corporation. On August 19, 1952, Charles Ford & Associates, Incorporated, filed with this Commission an application to do business in the Territory of Hawaii as a real estate brokerage firm. The place of business was designated as 828 Fort Street, Honolulu, T. H., and Mr. G. A. O'Rouark, a real estate broker in the Territory of Hawaii, has been designated as the broker in charge of this corporation. Now, before we proceed, Mr. Magoon, would you like to ask Mr. O'Rouark what is the purpose and the intention of the corporation?

agoon: You go on Stephen, but first I want you to understand that we have the right to use whatever testimony given here as evidence against you or for the benefit of this Commission at any subsequent meetings or actions. Is there any objections?

'Rouark: The purpose of the operation is to provide buyers for businesses primarily; however, some businesses may include real estate. Now the Charles Ford & Associates, Incorporated, does a national-wide business. If we are permitted to operate with them, we hope they will refer purchasers to us to purchase local businesses and sometimes real estate.

iyagawa: You say refer businesses to you?

'Rouark: Yes, refer to us prospective purchasers to us.

iyagawa: In what manner do you seek this end?

'Rouark: By monthly bulletins. Perhaps I better ask you to clarify your question.

iyagawa: You say that you hope that this Charles Ford & Associates will be able to refer clients over to you?

'Rouark: That's right.

iyagawa: We would like to know how.

'Rouark: By mail or by prospects sent to us when they come here to visit Hawaii, they will come in to our office.

iyagawa: Now, Charles Ford & Associates is merely a referring agency to help you obtain clients?

'Rouark: Yes.

iyagawa: What kind of fees do you have to pay for the services?

'Rouark: There is a schedule of fees.

iyagawa: Can you explain the schedule of fees to us?

'Rouark: (looking for schedules in brief case) Exact amount?

agoon: Well, give us an approximate amount. If you can't find.....

'Rouark: The fees vary with the amount of sale. Here we are .....(located schedule) However, this provides that if there is any conflict with the local rates, the local rates will govern. The rates are: \$10,000 is 8 per cent; from \$10,000 to \$100,000, 6 per cent; from \$100,000 to \$200,000, 5½ per cent; and \$200,000 to \$300,000, 5 per cent. As the amount of the sale increases, the commission decreases. If there is no conflict with the local rates, then this will govern. If there is a conflict, it will provide that the local commission rates govern.

Magoon: Is there a conflict?

O'Rouark: I don't think there is. The rules and regulations of the Realty Board, of which we are members - Mr. Magoon, you are a member, I am a member, Guaranty Investment is a member..... There is no provision that we must charge..... We would doubt it if it were contrary to the Realty Board.

Magoon: I would like to ask you when you refer to business - you mean for instance you are selling American Factors, the real estate is being considered as incidental?

O'Rouark: That's right. Business for sale.

Iiyagawa: That is including real estate?

O'Rouark: Sometimes it does.

Iiyagawa: Well, in the Islands?

O'Rouark: Not necessarily.

Iiyagawa: But will include real estate?

O'Rouark: It would?

Iiyagawa: It would include real estate?

O'Rouark: It could in many cases.

Magoon: Would you say then that the aspect of the real estate is incidental to the business which is being sold?

O'Rouark: That's right.

Iiyagawa: Mr. O'Rouark, referring to the 5 per cent commission or whatever rates of commission that you plan to charge according to the rates set by the company, what is your arrangement with the Charles Ford & Associates?

O'Rouark: Arrangement is tentative now. In view of that we would probably have to revise it depending upon the action of this Commission, but if the Commission approves the application, there are some other plans. There are first two deductions - there is a deduction in the event the seller has deposited a retainer fee to purchase and services such as advertising in mainland bulletins and all that. These are deductions.

Iiyagawa: What is the retainer's fee?

O'Rouark: It is a fee for expenses provided for seller - newspaper, advertising this magazine, thousands and thousands of letters to prospective clients, radio broadcast, T.V. broadcasts, Fordograms, and thousands and thousands of direct advertising, letters that are sent out particularly to prospective candidates, people who would be interested in the business.

Shang: (interrupting) May I interrupt. I think Mr. William has to go back to his office as soon as possible.

(Mr. James K. William from the Treasurer's Office was asked to testify)

Shang: What is your name?

William: William.

Shang: Has Charles Ford & Associates, Incorporated, filed with the Treasurer's Office?

William: Yes, sir.

Iiyagawa: (Introducing photostatic copy of incorporation papers) Copy and the date as follows?

William: That's right.

Shang: Under the purposes of the Charles Ford & Associates, I just wondered whether you asked them in the power to do real estate business in the Territory for the purpose to establish and operate a service organization talked about, advertising and etc., their supervisory broker who will supervise the services?

William: No.

Shang: So actually it is not a brokerage business. The purpose is to establish and operate a real estate and business brokerage throughout the United States and elsewhere, to transmit information on real estate listings for business opportunity, sale of commercial and farm products incidental to property and etc., to arrange finances and to insure to brokers the bringing together of buyers and sellers of property, to manage business properties, and to sponsor and serve an affiliation of licensed real estate and business brokers. As a Treasurer, do you think that is sufficient to give them authority to do a brokerage business?

William: I don't know, the broker business is the same thing.

Shang: So that they have a general business, which is not specific with the articles of the Association as far as the Illinois law is given.

William: I don't know whether or not that is acting within the articles of the association.

Shang: You understand the question, Mr. O'Rourke?

O'Rourke: I think I rather have Mr. Conroy answer it.

Conroy: Mr. William, this Illinois corporation has qualified to do business to the extent indicated in their application charter. The articles from the charter

which you have seen and as far as the application is concerned, you are entitled as a foreign corporation to do business in the Territory of Hawaii within the limitation indicated?

William: Yes, that's true.

Conroy: If those are construed to be so then they would need to amend the charter in Illinois and make the additional amendments here so they could do this brokerage business.

William: That's true, it is clear cut they could only do business as specified in the articles.

Akau: Go on.

Conroy: We would like to introduce this in evidence to the extent of what they are licensed to broker; whether they are broad enough. If it isn't, they will have to amend; otherwise, they can't make application.

Akau: Until that point is determined, we would.....I say until that point is determined, I don't think there is any need of this hearing, but at this time.....I think we could close this hearing and certain adjustments would need to be made.

Conroy: Had I asked Mr. O'Rourke if the charter covered these questions.....I haven't had an opportunity to look over the papers until this morning. I am not going to state my opinion. I think reading all the papers, the matter must be construed as such.

Akau: I have some information given here stating the main purposes of the corporation, as expressed by its Illinois charter and in the Certificate of Authority granted by the states, which are as follows:

1. "To publish and advertise real estate and business-for-sale information;
2. "To establish and operate a service organization to licensed real estate and business brokers;
3. "To sponsor and serve as an affiliation of licensed real estate and business brokers."

Furthermore, "with respect to licensure acts of many States, Ford has taken the position that it does not act as a broker, but performs various services for brokers, and therefore does not require a broker's license." So it was rather confusing.

Conroy: It may be; however, if they amend their charter under the same charter and make application for this license.....

Akau: It does not mean it will be granted.

- Conroy: At least they will be qualified.
- Akau: I move that this hearing be closed.
- Conroy: May I ask one more question?
- Akau: Sure.
- Conroy: I think this whole matter, if we meet the issue and the issue is, "Can you split commissions with someone outside the Territory?" I would like to know if the Commission will give a ruling on that, if we can go into that point now and suggest you give consideration, giving us a rule then that will relieve the entire situation. We won't need to go into it now other than I would like to submit that point for a ruling, and I would like to give it a view if I may.
- Akau: I think.....well.....we can do several things. First, to proceed to listen to your viewpoint; second, call for a recess and discuss the matter; third, we can simply move to adjourn the hearing and the matter be taken under advisement. I think I move, Mr. Chairman, that this hearing be closed and the matter be taken under advisement.
- Magoon: I second the motion, and I feel that the matter be taken under advisement. I feel this is a pretty big proposition to go out and license a mainland corporation. We are here to protect the public. I can't see where the Treasurer could issue a license on the strength of the articles.....
- Akau: He couldn't - he can only issue what your articles call for.
- Magoon: Well, about going out and split commissions, I think it is a dangerous proposition to split commissions.
- Akau: Mr. Chairman, whether or not Ford & Associates' representatives have any business here, at the present moment it is to get a decision as to whether or not they will get the license, so that I don't think we should discuss the matter further in this set up.
- O'Rouark: We have only asked for an opinion as to whether or not we can split commissions under the rule with mainland companies. We have never received a direct answer.
- Miyagawa: We have sent you a letter stating our opinion.
- O'Rouark: I don't thing that covers as stated in our statutes.
- Conroy: We are only asking the Commission for a ruling.
- Magoon: You are certainly welcome, and we will give it our careful attention. We are here to serve the public and whatever question you send in here, we won't close our eyes to that.

Conroy: My client wants to know before he proceeds. Can we make a formal request on that to present our views?

Magoon: Well, I can't say - I have to take this matter under advisement. We are making a decision on something that may never happen; therefore, we are not accepting anything on this point, and I don't feel the Attorney General should put all their time and services to this Commission, unless it is going to be an issue. We have the other hurdle first to go through.

The Commission members, after reviewing the facts presented at the hearing, unanimously decided that the next move will be up to Charles Ford & Associates, Incorporated, in order to qualify for licensure and approval of this Commission to do real estate business in the Territory of Hawaii.

Case of Alvin B. Cargile vs. Howdy Reynolds, Broker

An informal hearing was called to hear the complaint of Mr. Alvin B. Cargile against Mr. Howdy Reynolds, real estate broker. The attached investigative report from the Administrator explains the details of the complaint lodged against Mr. Reynolds. Present were Mr. Reynolds and his attorney, Mr. Arthur J. Spitzer, and Mr. Alvin B. Cargile, complainant.

Magoon: (Mr. Cargile was sworn in) Mr. Cargile, you swear to tell the truth and nothing but the truth, so help you God?

Cargile: I do.

Magoon: Your name?

Cargile: Alvin B. Cargile.

Magoon: Mr. Cargile, what is your business?

Cargile: Merchandise brokerage.

Magoon: How long have you been in Hawaii?

Cargile: 18 years.

Magoon: Do you deal in real estate?

Cargile: No, sir. Rather, I own some real estate.

Magoon: How many pieces of real estate?

Cargile: Two pieces - one in Heeiea-Kea and one in Kailua.

Magoon: You know Howdy Reynolds?

Cargile: Yes, sir.

Magoon: Did you request Mr. Reynolds to sell a piece of land and where is that land?

Cargile: Heeia-Kea.

Magoon: How large a piece?

Cargile: 12,000 sq. ft.

Magoon: Fee simple?

Cargile: Leasehold.

Magoon: House on that?

Cargile: Yes, sir.

Magoon: Did you build that? What did the house cost you?

Cargile: I can't say off hand.....I don't know exactly.....I can't tell you off hand.

Magoon: Did you pay for that all?

Cargile: Yes, sir.

Magoon: When you offered to sell this piece of land, did you sign up a listing agreement?

Cargile: Yes, sir.

Magoon: I'll show you a copy of that - is this the listing you signed?

Cargile: Yes, sir.

Miyagawa: May I make a correction? This is the Initial Payment Receipt and Contract.

Cargile: Initial Payment?

Miyagawa: The listing contract you gave Mrs. Cummings.

Magoon: What you are talking about is the listing contract?

Cargile: Yes.

Magoon: I see. On August 7 he told you he had a purchaser for it? Can you tell us what happened? This is in Heeia Kea?

Cargile: I am talking about the land in Heeia Kea.

Magoon: Did you own it outright? You authorized Mr. Reynolds to execute a contract on that place?

Cargile: Yes, sir.



Magoon: How much?

Jargile: I believe it is \$5,750.00.

Magoon: Have you got that contract?

Jargile: Yes, sir.

Magoon: I am sorry, I got a little confused. Balance is \$3,750.00?

Jargile: Yes, sir.

Magoon: On the Agreement of Sale - \$65.00 per month with interest of  $5\frac{1}{2}$  per cent? You signed the contract?

Jargile: Yes, sir.

Magoon: What was the next thing -- Howdy Reynolds say anything to you?

Jargile: He had taken a \$2,000.00 deposit.....

Magoon: And what happened?

Jargile: It is kind of a long drawn out deal over here. My estranged wife, rather my ex-wife, seemed to want cash instead of the \$65.00 a month, and for some time she hasn't signed the contract, but Donovin J. Flint has the power of attorney for her. Of course, you don't have her signature on the paper.

Magoon: That's why I asked whether you were married. In other words, you own the property?

Jargile: Community property - she owned half interest.

Magoon: You don't have the listing here, you gave Mr. Reynolds to see this property.

Jargile: Yes, sir.....I.....Yes, she signed with Mrs. Cummings.....she put the property up for sale. First thing.....they came.....well..... I figured at that time that the divorce was final, but I thought it was all right she signed first and then I sign. They have both signatures whether or not she has listed the property for sale.

Magoon: This is Bishop leasehold?

Jargile: Yes, sir.

Magoon: Now what happened? You went to Mr. Reynolds and.....

Jargile: When I was told that he had received the \$2,000.00, I simply asked that he give me half since he made one payment of \$64.00.

oon: Who refused to pay any rent or haven't paid any rent?

Jargile: Sam Kauhane.

Magoon: Is there any reason for not paying?

Cargile: I sent them at their working place at Territorial Hospital, a registered letter asking that they catch up with their rent for monthly collection. I sent it registered, also mentioned that they were behind a period of four months.

Magoon: They answered you?

Cargile: I never heard from them.

Magoon: Any reason why?

Cargile: I don't see why. I asked Mrs. Cummings who was the agent and she called and brought it to their attention. I sent them a registered letter.

Magoon: Now, was that rent to be assigned to you for part one-half interest or was it.....

Cargile: It was to be either given to Flint or to my attorney or work through Reynold's office.

Magoon: Do you think Mr. Reynolds has absconded any of your money?

Cargile: I don't know, sir.

agoon: You think he has been negligent on this sale? You feel Mr. Reynolds has been derelict in his duties; has not protected you as he should under the circumstances? We want to protect your opinion, Mr. Cargile.

Cargile: Yes. This is my action - I have no desire or wish to cause any embarrassment to anyone. I am a salesman myself. I am asking where it is and I would like my half.

Magoon: That's quite true.

Cargile: You see, she has given the power of attorney to Flint.

Magoon: Yes, I happen to be a lawyer myself - I think you can get that out.

Akau: Your wife is a native girl?

Cargile: She is not.

Akau: There is no connection between Sam Kauhane and your wife?

Cargile: No.

Miyagawa: May I ask some direct questions?

Cargile: Yes, sir.

Miyagawa: Mr. Cargile, when you came here to request the assistance of this office in

Miyagawa: the matter you have made a certain statement that you have tried your best to get an accounting, that you were taken to the Internal Revenue to show his difficulties, and that you have been asked to phone Mr. Fong's office to determine whether your money was held there in escrow. Now, let me ask one question, "Did you go to see Mr. Fong?"

Cargile: I called and called, trying to get an appointment with Mr. Reynolds. It went on for 1½ weeks. Then he took me to the Internal Revenue.

Magoon: Who's that?

Cargile: Mr. Reynolds.

Magoon: What is the object?

Cargile: I don't know. He was trying to show me the money was tied up between he and Fong. One other thing, I made a trip back to the mainland and I called on my wife and my children. I told her it was a good thing to sell and she should sign the papers, etc. She agreed she has given Flint the power to sign this contract. Besides, she wants half of the rental money I have received from two pieces of property. I haven't given them half of the rentals. She told Flint that she wants half of the rentals and I take half of the rental money. That's about all I have to say.

Spitzer: What is the complaint about Mr. Administrator?

Miyagawa: Specifically the complaint is.....

Magoon: (interrupting) Mr. Reynolds, will you for the record's sake, tell the truth and nothing but the truth, so help you God?

Reynolds: I do.

Miyagawa: On or about September 3, 1952, Mr. Alvin Cargile called at the office to seek some advice and .....

Magoon: Never mind that.

Miyagawa: The complaint is that Mr. Reynolds has failed to show proper accounting of the money turned over to him in the sale of a particular property at Heeia Kea which amounted to \$5,750.00, the deposit being.....

Spitzer: (interrupting) With your permission -- I think this is the same property as our Agreement of Sale?

Magoon: We understand Mr. Flint has the power of attorney. If we can get a statement from Mr. Flint and facilitate this matter to see this thing closed. In other words, Mr. Cargile wants his money and wants to see if he is entitled to it. By the way, where is Mr. Flint?

Spitzer: He is in Kailua. I understand that Mr. Flint is authorized to sign for Mrs. Cargile. I understand that more than one half is to go to Mrs. Cargile. I also understand that he received the power of attorney about ten days ago. I would also like to testify that Mr. Reynolds made many attempts to get him to sign. It wasn't Mr. Reynolds' fault that it hadn't been signed.

Akau: I think I am correct to state that the Commission takes a position now that it is purely interested and needs to be interested in the location of the alleged deposit of \$2,000. If that amount can be located in proper escrow, that is our particular concern. As to any other circumstances, we are not concerned at the present time.

Magoon: Let me read the section on revocation and suspension of licenses. The Commission may revoke any license issued hereunder, or suspend the right of the licensee to use such license, for any of the following causes:

"No. 8. Failing, within a reasonable time, to account for any moneys belonging to others which may be in the possession or under the control of the licensee;

"No. 15. Commingling the money or other property of his principal with his own."

In other words, we have the right to determine whether or not he has the money so that it can be accounted for when the paper is signed. In other words, we are here to see that this is done properly, because there has been a delay. I don't know if there is anything against the broker in the case where the wife doesn't sign. We know there is a delay. We know now the reason for the delay is because the thing has not been properly signed, but I believe it is up to Mr. Cargile to see that he get the signature of his wife, but that isn't the complaint before this Commission. We want to know whether or not there has been a commingling of funds and whether or not the money can be turned over in case the document is signed.

Reynolds: It can be and it can be done today! It's in a special account.

Magoon: You say in a special account?

Reynolds: In a client's account.

Spitzer: We set up an account for himself and one for clients.

Magoon: How long ago?

Reynolds: About 30 days.

Magoon: Did you have the account when he visited you?

Reynolds: Yes, I did.

Akau: I would like to move, Mr. Chairman, that this matter be deferred pending any initiative that can be taken on the part of the seller which in this case is Mrs. Cargile whose power of attorney is being held by Mr. Donovin Flint. We can defer this matter for a few days until next week and subject, of course, to the Commission investigation and data that can be procured by the Administrator. I presume it will be cleared up as to where to get the money.

- Akau: I would suggest that a letter of certification from the bank be delivered to this Commission forthwith which will state there is an amount of so much and so forth.
- Magoon: We don't care how much you have, as long as you have over and above the amount.
- Reynolds: It may be very difficult for me.
- Magoon: Mr. Cargile, we are here to protect you and to see the money is turned over to you. Try and get this thing consummated. If it can't be done right away, how soon can this be done, Mr. Spitzer?
- Spitzer: I don't know, because of the fact.....because of the agreement between Mr. and Mrs. Cargile. If Flint will sign, we can take it down.
- Magoon: We don't want it buried like a lot of other things that lots of lawyers do. I know what attorneys do - I probably would do the same thing. Any way, we want to get action.
- Akau: I think the motion I made.....I made a motion to defer the matter to some day next week. Is there anything else we can do?
- Cargile: As I reiterated, Mr. Magoon, I don't want to cause anyone trouble. All I want to know is where the money is.
- Magoon: Mr. Spitzer, we want forthwith that letter; we want that letter before next week. Give it to Stephen.
- Reynolds: We'll get it tomorrow.  
all
- Magoon: That's right by tomorrow. If you can do that, it will give something so that this Commission can act. We ask that this be closed that this transaction be closed as soon as possible. Seems to me it is more or less the attorney's fault so you better get going. Well, you work for the best interest of your client and get this thing closed.
- Akau: Is this satisfactory to you, Mr. Reynolds?
- Reynolds: Both of us are very sorry - because it is true that although he is not particularly friendly to me for some reason or other - you have been after me for months to close this thing.
- Magoon: We are only interested in where the money is. Mr. Cargile, I feel that this is not a closed case in our office. We want you to report back to us the progress of this thing. We don't want you to feel this Commission has let you down. We want to see you get the money and your wife get the money.
- Akau: Okey, then we'll set next Wednesday as the deadline. I recommend that this matter be closed.

Mr. Magoon, Chairman, moved that the records of this minute that the Administrator has been doing an excellent job in the manner he has been handling and investigating the cases coming before this Commission for action. Mr. Chang, Deputy Attorney General from the Attorney General's office, was also commended for his cooperation with this Commission. Mr. Akau, member, seconded the motion and was unanimously carried.

Case of James H. Watada

The Administrator reported that this case will have to be postponed to October 1, 1952 due to the fact Mr. George Y. Kobayashi, counsel for Mr. Watada, was not able to be present. It was unanimously approved that the hearing be continued to October 1, 1952, and such notice be given to Mr. Watada through Mr. Kobayashi.

Results of Oral Examinations  
Given to Salesmen and Brokers  
by Administrator

The following brokers were questioned orally by the Administrator on September 20, 1952. Upon the favorable recommendation of the Administrator, they were unanimously approved for licensure as brokers:

<u>Name</u>	<u>Grade</u>
Patterson, Clara T.	81.35
Fukata, Herbert	81.34
Eguchi, Koichi	81.06
Bonnet, Florence F.	80.62
Ahrens, Dorothy S.	80.53

The following salesmen were questioned orally by the Administrator on September 20, 1952 and upon the favorable recommendation of the Administrator, the Commission unanimously approved that they be granted salesman's licenses:

<u>Name</u>	<u>Grade</u>
Soper, Thomas J.	73.95
Davidson, Lorene E.	73.03
Young, Harry E.	72.98
Iwamoto, Edmund N.	72.77
Ige, Thomas T.	72.31
Wong, Henry T. Q.	72.00
Weight, Kenneth M.	71.87
Barringer, Friedericke K.	71.32
Dwight, James A.	71.00
Mikami, Chujiro	70.76
Gomes, Theolinda	70.84
Yamamoto, Raymond T.	70.57

The Administrator reviewed with the Commission members the police record on Mr. George On Leong Yap, particularly on his recent betting

charge on football games. Mr. Yap was given an oral examination and has met the requirements. After some discussion, Mr. Magoon moved that approval for granting Mr. Yap's license be dependent upon Mr. Donald Umemoto, sponsoring broker. If Mr. Umemoto, after being apprised of Mr. Yap's police record, is still willing to be responsible for Mr. Yap's activities as a salesman, the Commission will approve the granting of the license. The motion was seconded by Mr. Akau and unanimously carried. It was decided that both Mr. Yap and Mr. Umemoto be called before the Commission on October 1, 1952 at 10:00 a.m.

Mr. Ted T. Yoshimura, salesman applicant, was questioned orally by the Administrator. Upon the recommendation of the Administrator that Mr. Yoshimura failed to meet the requirements in his examination, it was moved by Mr. Magoon, seconded by Mr. Akau, and unanimously carried that Mr. Yoshimura did not pass the examination.

#### Brokerage Application of Cummings & Nahl

The Administrator reported that on September 19, 1952, Mrs. Dixie C. Nahl and Mrs. Elizabeth H. Cummings, real estate brokers, made application to license their partnership under the title of Cummings & Nahl to do brokerage business at 1342 Kapiolani Boulevard, Honolulu, T. H. It was moved by Mr. Akau, seconded by Mr. Magoon, and unanimously carried that approval for such brokerage license be subject to their filing at the Treasurer of the Territory of Hawaii a "Statement of Co-partnership" to do real estate business in the Territory of Hawaii under title of Cummings & Nahl.

#### NALLO Convention - Door Prizes

It was reported by the Administrator that a communication dated September 19, 1952 from Mr. Robert Semenow, Secretary-Treasurer of NALLO, requested the names of the donors of the door prizes to be presented at the NALLO Convention at Miami Beach, Florida. The Administrator was instructed to write a letter right away, advising Mr. Semenow that an Aloha shirt for men will be donated by each member and the Administrator.

#### Brooklyn Real Estate Board

The Brooklyn Real Estate Board, in a communication dated September 3, 1952, requested this Commission to send the names of the Commissioners and the administrative staff and a copy of our licensing statutes, Chapter 150, Revised Laws of Hawaii, 1945, as amended. Mr. Magoon moved, seconded by Mr. Akau, and unanimously carried that the Administrator comply with their request. It was suggested by Mr. Magoon that the cover of our handbook be marked "Complimentary" copy.

#### Status of Broker-Salesman

A question was brought up for discussion on the Commission's policy and feeling on the matter of brokers who are actually working and employed in the status of a salesman for another broker. Cases were cited where brokers

working as salesmen have been sponsoring their own salesmen. Mr. Chad Dunstan and Mr. Fred C. Blanco are licensed brokers but working in the role of a salesman for another broker. They are at present sponsoring their own salesmen. After some discussion, it was the unanimous feeling of the Commission that a broker assuming the role of a salesman cannot operate and assume the duties of an independent broker as long as he is employed by another broker. The Administrator was asked to contact Mr. Dunstan and Mr. Blanco and inform them of the Commission's policy.

#### Renewal Notices for Salesmen and Brokers

The Administrator reported that the notices to remind the licensees of the renewal fees for salesmen and brokers will be mailed out very shortly. The Commission members requested that the draft of the letter be presented to them for approval before sending the notices out to each licensee.

#### Case of Emma F. Lichota vs. Benjamin Ayson

An investigation report on the above case was presented to the Commission for its review and action. (See attached report for detailed information) Since the investigation of the complaint did not reveal any violation of our statutes or its rules and regulations, Mr. Magoon made a motion, which was seconded by Mr. Akau, and unanimously carried that this case be closed and Mr. Lichota, the complainant, be advised of the decision of this Commission.


#### Public Hearing

The Commission members were reminded of the Commission's public hearing scheduled to be held on October 1, 1952 at 9:00 a.m. to promulgate Rule 14 and to amend Rules 8 and 9, Rules and Regulations of the Real Estate License Commission of the Territory of Hawaii.

#### George H. Bowles

Just before adjournment of the meeting, police records on Mr. George H. Bowles, salesman's applicant, were received from the Los Angeles and San Francisco Police Departments. At a Commission meeting held on September 16, 1952, it was reported that Mr. Bowles made a grade of 83.98 on his salesman's examination; however, his application was held up due to adverse information received on him from the local Better Business Bureau. Mr. Akau formally made a motion to deny a license to Mr. Bowles at this time based upon the police record of Mr. Bowles. Mr. Magoon seconded the motion and was unanimously carried. (See BBB record and police reports on Mr. Bowles in his file jacket)

Respectfully submitted,

  
Stephen K. Miyagawa  
Administrator